

EXHIBIT 5

Hotbed of Misinformation

The Tesla Team, November 14, 2017

Tesla is absolutely against any form of discrimination, harassment, or unfair treatment of any kind. When we hear complaints, we take them very seriously, investigate thoroughly and, if proven to be true, take immediate action.

Everyone at Tesla, without exception, is required to go through an anti-discrimination course. Our human resources team also conducts regular in-person spot training sessions when an allegation or complaint has been made, even if the evidence is not conclusive enough to warrant disciplinary action. We have also created a dedicated team focused exclusively on investigating workplace concerns, recommending corrective actions and assisting managers with implementing those actions.

Regarding yesterday's lawsuit, several months ago we had already investigated disappointing behavior involving a group of individuals who worked on or near Marcus Vaughn's team. At the time, our investigation identified a number of conflicting accusations and counter-accusations between several African-American and Hispanic individuals, alleging use of racial language, including the "n-word" and "w-word," towards each other and a threat of violence. After a thorough investigation, immediate action was taken, which included terminating the employment of three of the individuals.

We believe this was the fair and just response to the facts that we learned. There will be further action as necessary, including parting ways with anyone whose behavior prevents Tesla from being a great place to work and making sure we do everything possible to stop bad behavior from happening in the first place. Our company has more than 33,000 employees, with over 10,000 in the Fremont factory alone, so it is not humanly possible to stop all bad conduct, but we will do our best to make it as close to zero as possible.

There are a number of other false statements in the class action lawsuit alleging a so-called "hotbed of discrimination":

- There is only one actual plaintiff (Marcus Vaughn), not 100. The reference to 100 is a complete fabrication with no basis in fact at all.
- The plaintiff was employed by a temp agency, not by Tesla as claimed in the lawsuit.
- Marcus was not fired, he was on a six month temp contract that simply ended as contracted.

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- His email to Elon was about his commute and Tesla's shuttles, which was addressed as he requested. There was no mention of racial discrimination whatsoever.

- The trial lawyer who filed this lawsuit has a long track record of extorting money for meritless claims and using the threat of media attacks and expensive trial costs to get companies to settle. At Tesla, we would rather pay ten times the settlement demand in legal fees and fight to the ends of the Earth than give in to extortion and allow this abuse of the legal system.

- We would also like to clear up the description of Elon's prior email to employees. It is dedicated to ensuring that Tesla employees always try to do the right thing, that being a jerk is not allowed, that everyone should be contributing to an atmosphere where people look forward to coming to work in the morning and that no one should feel excluded, uncomfortable, or unfairly treated. As one of many points in that email, Elon also explained that if someone makes an offensive or hurtful statement on a single occasion, but subsequently offers a sincere apology, then we believe that apology should be accepted. The counterpoint would be that a single careless comment should ruin a person's life and career, even if they truly regret their action and do their best to make amends. That would be a cold world with no forgiveness and no heart.

Elon's full email is below:

Elon Musk
Doing the right thing
To: Everybody

Inbox - Exchange May 31, 2017 at 2:37 AM

About four years ago, I sent out an email describing some of the core principles of Tesla. Since then, we have grown from 4,500 people to 33,000, so the vast majority of the company has never received this note. We are redoing the first day orientation and Tesla handbook to more clearly capture and emphasize these points, but I thought I should send this out in advance.

In my email below, please pay particular attention to the first point on the list. Tesla has to be hardcore and demanding, not for the hell of it, but because we are fighting for a good cause against giant, entrenched competitors who just want the status quo to continue. The list of companies that want to kill Tesla is so long, I've lost track – a week doesn't go by without some "Tesla Killer" article. The only way for a little company to prevail against those much larger companies is to work faster, smarter and harder. The passing grade at Tesla is excellence, because it has to be.

However, this does not give license to anyone to be a jerk. It is incredibly important that people look forward to coming to work in the morning. One of the best feelings in the world is to be part of a team that is fired up to achieve what most industry experts say is impossible! For many companies out there, work is like jail – employees look forward to Friday and dread Monday. That's horrible. We never want to be like that.

Part of not being a huge jerk is considering how someone might feel who is part of a historically less represented group. They have endured difficulties that someone born or raised in a more privileged situation did not. This doesn't mean that there is a different standard of performance or that you can't give critical feedback. You should – doing anything else would be an insult to the hard work it took to get there – but don't ever intentionally allow someone to feel excluded, uncomfortable or unfairly treated. Sometimes these things happen unintentionally, in which case you should apologize.

In fairness, if someone is a jerk to you, but sincerely apologizes, it is important to be thick-skinned and accept that apology. If you are part of a less represented group, you don't get a free pass on being a jerk yourself. We have had a few cases at Tesla where someone in a less represented group was actually given a job or promoted over more qualified highly represented candidates and then decided to sue Tesla for millions of dollars because they felt they weren't promoted enough. That is obviously not cool.

What it comes down to is this: do what would make your parents proud. If you can't look someone you respect in the eye and explain what you did, don't do it.

Thanks,
Elon

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